

**Interim Joint Committee on Education****Minutes of the 7th Meeting****of the 2003 Interim****December 1, 2003**

The seventh meeting of the Interim Joint Committee on Education was held on Thursday, December 4, 2003, at 1:00 PM, in Room 149 of the Capitol Annex. Senator Lindy Casebier, Co-Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Lindy Casebier, Co-Chair; Representative Frank Rasche, Co-Chair; Senators Walter Blevins, Brett Guthrie, David K. Karem, Alice Kerr, Vernie McGaha, Gerald Neal, R.J. Palmer II, Jerry Rhoads, Gary Tapp, and Jack Westwood; Representatives Buddy Buckingham, Mike Cherry, Jack Coleman, Hubert Collins, Jon Draud, C.B. Embry Jr, Bill Farmer, Tim Feeley, Derrick Graham, Mary Harper, Mary Lou Marzian, Reginald Meeks, Charles Miller, Harry Moberly, Russ Mobley, Rick Nelson, Tom Riner, Charles Siler, Arnold Simpson, Kathy Stein, and Jim Thompson.

Guests: Paul Blanchard, Eastern Kentucky University; Jeff Mosley and Emil Jezik, Cabinet for Workforce Development; Roland Haun, Kentucky Association of School Superintendents; Wayne Young and Mike Carr, Kentucky Association of School Administrators; Jo Carole Ellis and Diana Barber, Kentucky Higher Education Assistance Authority; Cindy Heine and LouAnn Cavenee-Ramos, Prichard Committee for Academic Excellence; Kathy Louisignont, Partners for Kentucky's Future; Linda France, Kentucky Department of Education; and Clyde Caudill, Jefferson County.

LRC Staff: Audrey Carr, Jonathan Lowe, Janet Stevens, Sandy Deaton, Kelley McQuerry, and Lisa Moore.

A motion was made to approve the minutes by Representative Collins and seconded by Senator Palmer. The motion was approved by voice vote.

Senator Casebier introduced Ms. Jo Carole Ellis, Executive Director, Kentucky Affordable Prepaid Tuition (KAPT), Kentucky Higher Education Assistance Authority (KHEAA), and Diana Barber, Assistant Counsel, KHEAA. Ms. Ellis explained administrative regulations 11 KAR 17:010, 11 KAR 17:040, 11 KAR 17:050, 11 KAR 17:060, 11 KAR 17:070, 11 KAR 17:080, 11 KAR 17:090, 11 KAR 17:100, and 11 KAR 17:110. Ms. Ellis said this group of administrative regulations derived from House Bill 269, which transferred administration of KAPT from the State Treasurer's Office to KHEAA. This legislative action required the administrative regulations for KAPT be moved from the Treasurer's Office to KHEAA's chapter.

Senator Karem made a motion to accept the administrative regulations, seconded by Representative Farmer. The motion was approved by voice vote.

Ms. Ellis explained 20 KAR 2:011, which is a repeal of the KAPT administrative regulations that were in Treasury's chapter. Representative Farmer made a motion to accept the administrative regulations seconded by Representative Collins. The motion was approved by voice vote.

Senator Casebier introduced Ms. Brenda Allen, Legal Counsel, Education Professional Standards Board (EPSB), who explained 16 KAR 7:010. Ms. Allen said the administrative regulation was an amendment to the regulation governing the Kentucky Teacher Internship Program (KTIP). Senate Bill 95 required EPSB to outline the requirements of the KTIP pilot project that was instituted under a federal grant.

Representative Meeks made the motion to accept the administrative regulation, seconded by Representative Collins. The motion was approved by voice vote.

Senator Casebier introduced Mr. Jeff Mosley and Mr. Emil Jezik, Commissioner, Department for Technical Education. Mr. Mosley explained the administrative regulation 780 KAR 3:080 that allows teachers in the area technology centers across Kentucky to work during spring break and Christmas holidays upon the submission and approval of a workplan. Previously, the employees were required to take leave during these time periods. This amendment to the regulation will allow the employees and the administrators more flexibility.

Representative Miller asked Mr. Mosley if he was talking about changing the area technology center teacher vacation days. Mr. Mosley said no, he was referring to the days when the students are not in school during Christmas and spring break. Previously, teachers were required to work during these days if they did not utilize their personal leave time. Representative Miller wanted to ensure he was not talking about the teachers who received extended time during the school year, and Mr. Mosley said he was not.

A motion was made by Senator Karem to accept the administrative regulation and was seconded by Representative Collins. The motion was approved by voice vote.

Senator Casebier asked Senator McGaha to give a report on the Subcommittee on Vocational Education. Senator McGaha said the subcommittee heard a presentation from Dr. Michael McCall, President, Kentucky Community and Technical and College System (KCTCS). The subcommittee's main focus has been on access for technical education for secondary high school students. Dr. McCall addressed the issue of how KCTCS serves these secondary students, and the impediments of secondary students being able to enroll in postsecondary schools. Senator McGaha said there will be continuing discussions on this subject between KCTCS, the Department of Education, and the Department for Technical Education.

Senator Casebier asked Representative Thompson to give a report on the Study of the Kentucky Teacher and Principal Internship Programs of the Subcommittee on Elementary and Secondary Education. Representative Thompson said House Bill 402 of the 2002 General Assembly Session required the study to be conducted with a report to be completed prior to the 2004 General Assembly Session. He said a draft of the study with tentative recommendations was completed and presented to the subcommittee. The subcommittee also heard from Dr. Philip Rogers, Director, Division of Professional Learning and Assessment, Education Professional Standards Board (EPSB), and Mr. Tom Peterson, Director, Teacher Quality Enhancement Grant, EPSB. They provided the subcommittee new information about the teacher educators serving on a teacher intern committee. They also provided a status report on the pilot study of the two-year teacher intern program, and shared the results of a questionnaire completed by local school administrators regarding their feelings on the Kentucky Principal Internship Program (KPIP). In light of the fact that the subcommittee received new information that needs further study, and because the EPSB is currently conducting a pilot program to study the possibility of a two-year internship program, Representative Thompson and Senator Casebier, Co-Chairs, requested from the Legislative Research Commission, an extension of time for the subcommittee to finalize its report and recommendations as required by House Bill 402.

Senator Rhoads made the motion to accept the recommendation for an extension of the study of the Kentucky Teacher and Principal Internship Program and the motion was seconded by Representative Karem. The motion was approved by voice vote.

Senator Casebier asked Representative Marzian and Senator Westwood to give a report on the study of the Kentucky Educational Excellence Scholarship (KEES) program. Senator Westwood said House Concurrent Resolution 141 required the Subcommittee on Postsecondary Education to conduct a study on the KEES program during the 2003 interim. KEES provides merit-based grants to Kentucky college students based on their high school grade point average and ACT scores. The subcommittee heard testimony from representatives of numerous agencies and organizations regarding the funding and administration of KEES, as well as the related issues of the cost of postsecondary education, and student financial aid, and the subsequent effects on college affordability and student access. In addition, LRC Education Committee staff conducted research about the effect of different grading scales on the KEES award amount, and the perceptions of teachers, and guidance counselors on the effect of KEES on student and teacher motivation and behavior.

Senator Westwood explained highlights of the draft KEES study. He said tuition and fees at Kentucky postsecondary institutions have been increasing faster than the personal income of Kentuckians and increasing at a faster rate than in the United States as a whole, but remains relatively affordable in comparison to other states. He said families are relying more heavily on loans to pay for college. Senator Westwood said graduates of four-year public universities in Kentucky owe an average of \$13,500 in student loans. Despite the higher cost, college enrollment is increasing. The Council on Postsecondary Education (CPE) reports that undergraduate enrollment in Kentucky has increased by more than 23 percent

from 161,000 to 198,000 since 1998. The CPE has set a goal to increase the number of college students by 80,000 between 1998 and 2020.

Senator Westwood said by fiscal year 2006, KEES expenditures are projected to exceed the funds available by \$3.3 million dollars, including funds from the KEES program reserve account. The rate of growth of lottery revenues is expected to be limited due to the introduction of the Tennessee lottery, expansion of gaming in neighboring states, and a maturing product mix. The Kentucky Lottery Corporation (KLC) is prohibited by KRS 154A.120 from mentioning government programs and services in advertising or promoting a lottery, which the KLC says negatively affects sales. In the event that the funding from the lottery is insufficient and additional funds are not made available, adjustments to KEES would need to be made. The CPE currently has the authority under KRS 164.7879 to promulgate administrative regulations to adjust award amounts subject to the availability of funds and has requested guidance as to how cuts should be made, if in fact they are needed.

Senator Westwood said Kentucky has increased both merit-based and need-based student grant aid. Between fiscal years 1998 and 2003, tuition assistance increased from \$27 million dollars to \$109 million dollars. By fiscal year 2006, almost all net lottery proceeds will go to student aid with 45 percent of student aid dollars supporting KEES, and 55 percent supporting the need-based programs such as the College Access Program (CAP), and the Kentucky Tuition Grant (KTG) program. Senator Westwood said a large number of potential students with financial need do not receive any state support need-based grant aid due to lack of sufficient funds. The Kentucky Higher Education Assistance Authority (KHEAA) estimates that lack of funding affects approximately 31,000 students who would have been likely to use the aid to attend college if it had been available at a cost of \$34 million dollars. Senator Westwood said on average students from more affluent families tend to have better grades and ACT scores, and therefore receive larger KEES awards.

Representative Marzian said there is a huge variation in grading scales among school districts. She said an analysis prepared by LRC Education Committee staff found 182 of 293 public and certified nonpublic high schools in Kentucky show that there are 61 different grading scales in use potentially affecting the amount of KEES awards by hundreds of dollars. There has been concern showed from school districts that there is not equity in the awarding of KEES money.

Representative Marzian said that based on a survey of teachers and guidance counselors conducted by the LRC Education Committee staff, there is a widespread awareness of the KEES program among the students and parents during the senior year of high school, but substantially less awareness in the lower grades. Awareness increases as students move from 9th to 12th grade. Teachers and guidance counselors reported that many students demonstrate greater effort in their classes in order to improve their grade point averages and receive larger KEES awards, but some students take less rigorous courses. For students who are aware of the KEES program, it has a moderate effect on a student's decision as to whether to attend college, has a more significant impact on a student's

decision to stay in-state, and motivates some high achieving students to stay in Kentucky to attend college.

Representative Marzian said some additional policy considerations raised by the KEES study include: 1) High school students not being permitted to use KEES awards to pay for dual credit courses; 2) High school students not being permitted to use projected KEES awards to pay for the cost of Advanced Placement exams; 3) Students who take an accelerated course load to graduate early receive smaller KEES awards; and 4) Students who attend a postsecondary institution in another state are not eligible for KEES scholarships, with certain limited exceptions.

Representative Marzian said the four proposed recommendations approved by the subcommittee were: 1) Give priority to funding the need-based student financial aid program over the merit-based KEES program, in the event that no funds beyond net lottery proceeds are made available for student financial aid and net lottery proceeds are insufficient to meet program needs; 2) Use a student's numeric grade score average rather than the grade point average to determine annual KEES base amount beginning with the ninth grade class for the 2005-2006 school year; 3) Permit high school students to use projected KEES awards to pay for dual credit courses; and 4) Permit high school students to use projected KEES awards to pay for the cost of taking Advanced Placement exams.

Representative Marzian made the motion to accept the draft KEES study recommendations and Representative Stein seconded the motion. The motion was approved by voice vote.

Representative Miller said so many students from lower income families do not get an opportunity to take dual credit courses, or Advanced Placement exams. He believes these recommendations are essential in helping the young people whose families cannot afford it.

With no further business before the committee, the meeting adjourned at 1:30 p.m.